



4004

**ANNUAL REPORT**

OF

Name: INDIANHEAD TELEPHONE COMPANY

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Principal Office: 211 MAIN ST S  
P.O. BOX 428  
HECTOR, MN 55342-0428

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For the Year Ended: DECEMBER 31, 1999

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TELECOMMUNICATIONS UTILITY  
TO  
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854  
Madison, WI 53707-7854  
(608) 267-9504

*This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.*

## GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used. However, please show the exact name of the respondent in full on the Identification and Ownership page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

## SIGNATURE PAGE

I LINDA J. KRAMER of  
(Person responsible for accounts)

INDIANHEAD TELEPHONE COMPANY, certify that I  
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

LINDA J. KRAMER 03/31/2000  
(Person responsible for accounts) (Date)

TREASURER  
(Title)

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**ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS**

<b>Access Line</b>	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
<b>Analog Signal</b>	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
<b>Cellular System</b>	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
<b>Central Office</b>	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
<b>Centrex</b>	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
<b>Channel</b>	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
<b>Customer</b>	A person who uses a telephone as a subscriber.
<b>Digital Signal</b>	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
<b>Equal Access</b>	The ability of the subscriber to use any long distance service by dialing the same number of digits.
<b>Exchange</b>	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
<b>Extended Area Service (EAS)</b>	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
<b>Extended Community Calling (ECC)</b>	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
<b>Feature Group A</b>	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

**ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS**

<b>Feature Group B</b>	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
<b>Feature Group C</b>	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
<b>Feature Group D</b>	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
<b>FX-IN</b>	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
<b>FX-OUT</b>	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
<b>Host Switching System</b>	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
<b>Local Access Transport Area (LATA)</b>	A geographic area within which an operating company may offer its telecommunications services.
<b>Mobile Telephone</b>	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
<b>Paging</b>	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
<b>Pair</b>	Two wires of a single circuit.
<b>Pay Station</b>	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
<b>Private Line Service</b>	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
<b>Private Branch Exchange (PBX)</b>	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
<b>Radio Common Carrier (RCC)</b>	A company which furnishes public telecommunications service using one or more radio channels.
<b>Remote Switching Unit (RSU)</b>	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

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**ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS**

<b>Route Miles</b>	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none"><li>1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.</li><li>2. One mile of a cross country route with any combination of outside plant facilities.</li><li>3. One mile of point-to-point microwave or radio link.</li><li>4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.</li><li>5. One mile of joint use line where the utility either owns the facility or leases space.</li></ol>
<b>Stand Alone Switch</b>	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
<b>Trunk</b>	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
<b>Wide Area Telephone Service (WATS)</b>	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
<b>Wire Center</b>	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

**ABBREVIATIONS USED IN ANNUAL REPORTS**

<b>Acct</b>	.....	Account
<b>Accum</b>	.....	Accumulated
<b>Acq</b>	.....	Acquisition
<b>Admin</b>	.....	Administrative
<b>Alloc</b>	.....	Allocation
<b>Amort</b>	.....	Amortization
<b>CO</b>	.....	Central Office
<b>Depr</b>	.....	Depreciation
<b>Equip</b>	.....	Equipment
<b>Exp</b>	.....	Expenses
<b>EOY</b>	.....	End of Year
<b>FOY</b>	.....	First of Year
<b>Info</b>	.....	Information
<b>ITC</b>	.....	Investment Tax Credit
<b>Misc</b>	.....	Miscellaneous
<b>Nonoper</b>	.....	Nonoperating
<b>Nonreg</b>	.....	Nonregulated
<b>Oper</b>	.....	Operating
<b>Opns</b>	.....	Operations
<b>Orig</b>	.....	Originating
<b>Prop</b>	.....	Property
<b>Receiv</b>	.....	Receivable
<b>Reg</b>	.....	Regulated
<b>Rev</b>	.....	Revenues
<b>Svcs</b>	.....	Services
<b>Telecom</b>	.....	Telecommunications
<b>Term</b>	.....	Terminating
<b>TPIS</b>	.....	Telecommunications Plant in Service
<b>TPUC</b>	.....	Telecommunications Plant Under Construction
<b>Uncoll</b>	.....	Uncollectible



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**IDENTIFICATION AND OWNERSHIP**

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**Exact Utility Name:** INDIANHEAD TELEPHONE COMPANY  
**Utility Location:** 211 MAIN ST S  
P.O. BOX 428  
HECTOR, MN 55342-0428

**Utility Web Site Address:**

**When was utility organized?:** 12/31/1958

**Report any change in name and the effective date:**

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**Officer in charge of correspondence concerning this report**

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**Name:** MRS LINDA J. KRAMER  
**Title:** TREASURER

**Office Address:** 211 MAIN STREET  
P.O. BOX 428  
HECTOR, MN 55342-0428

**Fax Number:** (320) 848 - 2323  
**Telephone Number:** (320) 848 - 6611  
**Email Address:** lkramer@means.net

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**Individual or firm, if other than utility employee, preparing this report**

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**Name:**  
**Title:**

**Office Address:**

**Fax Number:**  
**Telephone Number:**  
**Email Address:**

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**Person responsible for financial information contained in report**

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**Name:** MRS LINDA J. KRAMER  
**Title:** TREASURER

**Office Address:** 211 MAIN STREET  
P.O. BOX 428  
HECTOR, MN 55342-0428

**Fax Number:** (320) 848 - 2323  
**Telephone Number:** (320) 848 - 6611  
**Email Address:** lkramer@means.net

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**Person responsible for statistical information contained in report**

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**Name:** MR MATT SPARKS  
**Title:** OPERATIONS MANAGER

**Office Address:** 211 MAIN STREET  
P.O. BOX 428  
HECTOR, MN 55342-0428

**Fax Number:** (320) 848 - 2323  
**Telephone Number:** (320) 848 - 6611  
**Email Address:** granada@means.net

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**IDENTIFICATION AND OWNERSHIP**

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**List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).**

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**Name:** HECTOR COMMUNICATIONS CORPORATION  
**Address:** PO BOX 428  
HECTOR, MN 55342-0428

**Number of Shares Held:** 829  
**Beneficial Owner:** NONE

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**List companies owned, controlled, or operated and form and extent of such ownership, control or operation.**

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**Company Name:** PINE ISLAND TELEPHONE COMPANY  
**Form of Interest:** OWNERSHIP  
**Extent Of Interest:** 31.6%

**INCOME STATEMENT - TOTAL COMPANY**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
Operating Revenues (5000-5300)	2,840,364	2,413,308	<b>1</b>
<b>Operating Expenses</b>			
Plant Specific Operations Expense (6110-6410)	265,605	210,314	<b>2</b>
Plant Nonspecific Operations Expense	1,018,956	706,545	<b>3</b>
Customer Operations Expense (6610-6620)	99,075	96,893	<b>4</b>
Corporate Operations Expense (6710-6790)	469,541	410,006	<b>5</b>
Other Operating Income and Expense (7100)	0	0	<b>6</b>
Operating Taxes (7200)	390,351	387,530	<b>7</b>
<b>Total Operating Expenses</b>	<b>2,243,528</b>	<b>1,811,288</b>	<b>8</b>
<b>Net Operating Income</b>	<b>596,836</b>	<b>602,020</b>	<b>9</b>
<b>Other Income</b>			
Nonoperating Income and Expense (7300)	180,428	216,154	<b>10</b>
Nonoperating Taxes (7400)	61,077	45,245	<b>11</b>
Interest and Related Items (7500)	236,033	219,712	<b>12</b>
Extraordinary Items (7600)	0	0	<b>13</b>
Nonregulated Net Income (7990)	36,489	7,432	<b>14</b>
<b>Total Nonoperating Income</b>	<b>(80,193)</b>	<b>(41,371)</b>	<b>15</b>
<b>Net Income</b>	<b>516,643</b>	<b>560,649</b>	<b>16</b>

**NOTES TO INCOME STATEMENT OR BALANCE SHEET**

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

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1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

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2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

**Balance Sheet - Assets:**

Line 8 - Includes Badger Net. Video, prepayments of approximately 69 months video service.

Line 40 - Decrease due to new switch upgrades placed in service 1999.

**Balance Sheet - Liabilities:**

Line 1 - Includes payable to parent company for 1999 State and Federal taxes.

Line 11 - Unearned revenue for video service - approximately 69 months of prepaid service. Acceptance date of service was 10/13/99.

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3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

**BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
<b>CURRENT ASSETS</b>			
<b>CASH AND EQUIVALENTS</b>			
Cash and Equivalents (1120)*	3,051,853	2,370,372	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
<b>TOTAL CASH AND EQUIVALENTS</b>	<b>3,051,853</b>	<b>2,370,372</b>	
<b>RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS</b>			
Telecommunications Accounts Receivable (1180)*	41,572	45,944	6
Accounts Receivable Allowance-Telecom (1181)*	4,010	3,074	7
<b>Net: Telecommunications Accounts Receivable</b>	<b>37,562</b>	<b>42,870</b>	
Other Accounts Receivable (1190)*	461,225	190,734	8
Accounts Receivable Allowance--Other (1191)*	0	0	9
<b>Net: Other Accounts Receivable</b>	<b>461,225</b>	<b>190,734</b>	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
<b>Net: Notes Receivable</b>	<b>0</b>	<b>0</b>	
Interest and Dividends Receivable (1210)*	101	170	12
<b>TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS</b>	<b>498,888</b>	<b>233,774</b>	
<b>SUPPLIES</b>			
Inventories (1220)*	18,985	14,766	13
<b>TOTAL SUPPLIES</b>	<b>18,985</b>	<b>14,766</b>	
<b>PREPAYMENTS</b>			
Total Prepayments (1280)*	28,874	45,097	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
<b>TOTAL PREPAYMENTS</b>	<b>28,874</b>	<b>45,097</b>	
<b>OTHER CURRENT ASSETS</b>			
Other Current Assets (1350)*	0	0	20
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>0</b>	<b>0</b>	
<b>TOTAL CURRENT ASSETS</b>	<b>3,598,600</b>	<b>2,664,009</b>	
<b>NONCURRENT ASSETS</b>			
<b>INVESTMENTS</b>			
Investment in Affiliated Companies (1401)*	963,484	904,099	21
RTB Class B Stock (1402)*	98,550	98,550	22
Other Investments in Nonaffiliated Companies (1402)*	19,456	31,898	23
Nonregulated Investments (1406)*	29,787	10,945	24
Unamortized Debt Issuance Expense (1407)*	0	0	25
Sinking Funds (1408)*	0	0	26

**BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
<b>NONCURRENT ASSETS</b>			
<b>INVESTMENTS</b>			
Other Noncurrent Assets (1410)*	0	0	27
<b>TOTAL INVESTMENTS</b>	<b>1,111,277</b>	<b>1,045,492</b>	
<b>DEFERRED CHARGES</b>			
Deferred Tax Regulatory Asset (1437)*	0	0	28
Deferred Maintenance and Retirements (1438)*	0	0	29
Deferred Charges (1439)*	0	0	30
<b>TOTAL DEFERRED CHARGES</b>	<b>0</b>	<b>0</b>	
<b>TOTAL NONCURRENT ASSETS</b>	<b>1,111,277</b>	<b>1,045,492</b>	
<b>PLANT</b>			
<b>TELECOMMUNICATIONS PLANT IN SERVICE</b>			
Telecommunications Plant in Service (2001)*	10,391,300	9,426,081	31
Less: Accumulated Depreciation (3100)*	5,372,020	4,785,279	32
Less: Accumulated Amortization--Capitalized Leases (3410)*	0	0	33
Less: Accumulated Amortization--Leasehold Improvements (3420)*	0	0	34
Less: Accumulated Amortization--Intangible (3500)*	0	0	35
<b>NET TELECOMMUNICATIONS PLANT IN SERVICE</b>	<b>5,019,280</b>	<b>4,640,802</b>	
<b>PROPERTY HELD FOR FUTURE USE</b>			
Prop. Held for Future Telecommun. Use (2002)*	0	0	36
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*	0	0	37
<b>NET PROPERTY HELD FOR FUTURE USE</b>	<b>0</b>	<b>0</b>	
<b>NONOPERATING PLANT</b>			
Nonoperating Plant (2006)*	0	0	38
Less: Accumulated Depreciation--Nonoperating (3300)*	0	0	39
<b>NET NONOPERATING PLANT</b>	<b>0</b>	<b>0</b>	
<b>TPUC</b>			
TPUC (2003)*	37,870	107,084	40
<b>TOTAL TPUC</b>	<b>37,870</b>	<b>107,084</b>	
<b>TELECOMMUNICATIONS PLANT ADJUSTMENT</b>			
Telecommunications Plant Adjustment (2005)*	0	0	41
Less: Accumulated Amortization--Other (3600)*	0	0	42
<b>NET TELECOMMUNICATIONS PLANT ADJUSTMENT</b>	<b>0</b>	<b>0</b>	
<b>TOTAL PLANT</b>	<b>5,057,150</b>	<b>4,747,886</b>	
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>9,767,027</b>	<b>8,457,387</b>	

**BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

<b>Particulars (a)</b>	<b>Balance--EOY (b)</b>	<b>Balance--FOY (c)</b>	
<b>CURRENT LIABILITIES</b>			
Accounts Payable (4010)*	463,905	306,098	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	0	0	3
Customer Deposits (4040)*	0	0	4
Current Maturities--Long-Term Debt (4050)*	291,500	195,000	5
Current Maturities--Capital Leases (4060)*	0	0	6
Income Taxes--Accrued (4070)*	0	0	7
Other Taxes--Accrued (4080)*	0	0	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*	0	0	10
Other Accrued Liabilities (4120)*	172,190	16,476	11
Other Current Liabilities (4130)*	0	0	12
<b>TOTAL CURRENT LIABILITIES</b>	<b>927,595</b>	<b>517,574</b>	
<b>LONG-TERM DEBT</b>			
Funded Debt (4210)*	5,001,576	4,502,765	13
Premium on Long-Term Debt (4220)*	0	0	14
Discount on Long-Term Debt (4230)*	0	0	15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*	0	0	17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
<b>TOTAL LONG-TERM DEBT</b>	<b>5,001,576</b>	<b>4,502,765</b>	
<b>OTHER LIABILITIES AND DEFERRED CREDITS</b>			
Other Long-Term Liabilities (4310)*	0	0	20
Unamortized Operating ITC--Net (4320)*	16,640	23,148	21
Unamortized Nonoperating ITC--Net (4330)*	138	192	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	235,075	158,648	23
Net Deferred Tax Liability Adjustments (4341)*	0	185,700	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	0	0	25
Other Deferred Credits (4360)*	0	0	26
Deferred Tax Regulatory Liability (4361)*	0	0	27
<b>TOTAL OTHER LIABILITIES AND DEFERRED CREDITS</b>	<b>251,853</b>	<b>367,688</b>	
<b>STOCKHOLDERS' EQUITY</b>			
Capital Stock (4510)*	33,180	33,180	28
Additional Paid-in Capital (4520)*	0	0	29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*	0	0	31
Retained Earnings (4550)*	3,552,823	3,036,180	32
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>3,586,003</b>	<b>3,069,360</b>	
<b>TOTAL LIABILITIES AND OTHER CREDITS</b>	<b>9,767,027</b>	<b>8,457,387</b>	

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### **IMPORTANT CHANGES DURING THE YEAR**

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1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.
2. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.



**AFFILIATE ABBREVIATIONS**

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

<b>Name of Affiliate (a)</b>	<b>Abbreviations (b)</b>	
Hector Communications Corporation	HCC	<b>1</b>
Other	OTH	<b>2</b>
Pine Island Telephone Company	PITC	<b>3</b>

**AFFILIATED INTEREST TRANSACTIONS**

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing.

<b>Particulars</b>				
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>	<b>(d)</b>	<b>(e)</b>
Docket	4860AT000100			
Name of Affiliate	HCC			<b>1</b>
Designate whether billed to or from:	FROM			<b>2</b>
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C			<b>3</b>
Total Dollar Activity	391,463			<b>4</b>
Percent of affiliate's business billed to all affiliated regulated utilities				<b>5</b>
If cost based, rate of return on equity or markup incorporated in billings	0.00			<b>6</b>
Footnotes	L			

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B**

<b>Plant Account (a)</b>	<b>Account (b)</b>	<b>Balance FOY (c)</b>	<b>Additions (d)</b>	
<b>GENERAL SUPPORT ASSETS</b>				
Land	2111	7,328		<b>1</b>
Motor Vehicles	2112	218,593	22,970	<b>2</b>
Aircraft	2113	0		<b>3</b>
Special Purpose Vehicles	2114	0		<b>4</b>
Garage Work Equipment	2115	0		<b>5</b>
Other Work Equipment	2116	108,362	54,867	<b>6</b>
Buildings	2121	537,361	73,032	<b>7 A</b>
Furniture	2122	24,142		<b>8</b>
Office Equipment	2123	10,208	0	<b>9</b>
General Purpose Computers	2124	10,343	611	<b>10</b>
<b>TOTAL--GENERAL SUPPORT ASSETS:</b>		<b>916,337</b>	<b>151,480</b>	
<b>CENTRAL OFFICE ASSETS</b>				
Analog Electronic Switching	2211	0		<b>11</b>
Digital Electronic Switching	2212	789,379	792,529	<b>12 B</b>
Electro-Mechanical Switching	2215	0	0	<b>13</b>
Operator Systems	2220	0	0	<b>14</b>
Radio Systems	2231	0	0	<b>15</b>
Circuit Equipment	2232	1,957,976	267,401	<b>16 A,B</b>
<b>TOTAL--CENTRAL OFFICE ASSETS:</b>		<b>2,747,355</b>	<b>1,059,930</b>	
<b>INFORMATION ORIGATION/TERMINATION ASSETS</b>				
Station Apparatus	2311	3,284		<b>17</b>
Customer Premises Wiring	2321	0		<b>18</b>
Large Private Branch Exchanges	2341	0		<b>19</b>
Public Telephone Terminal Equipment	2351	0		<b>20</b>
Other Terminal Equipment	2362	0		<b>21</b>
<b>TOTAL--INFORMATION ORIG/TERM ASSETS:</b>		<b>3,284</b>	<b>0</b>	
<b>CABLE WIRE FACILITIES ASSETS</b>				
Poles	2411	1,704		<b>22</b>
Aerial Cable	2421	6,377	0	<b>23</b>
Underground Cable	2422	0	0	<b>24</b>
Buried Cable	2423	5,744,828	66,328	<b>25 B</b>
Submarine Cable	2424	0	0	<b>26</b>
Deep Sea Cable	2425	0		<b>27</b>
Intrabuilding Network Cable	2426	0	0	<b>28</b>
Aerial Wire	2431	0		<b>29</b>
Conduit Systems	2441	6,196		<b>30</b>
<b>TOTAL--CABLE WIRE FACILITIES ASSETS:</b>		<b>5,759,105</b>	<b>66,328</b>	
<b>AMORTIZABLE ASSETS</b>				
Capital Leases	2681	0		<b>31</b>

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)**

<b>Account (e)</b>	<b>Retirements (f)</b>	<b>Transfers / Adjustments (g)</b>	<b>Balance EOY (h)</b>	
2111			7,328	1
2112	40,536		201,027	2
2113			0	3
2114			0	4
2115			0	5
2116	14,197		149,032	6
2121		(23,481)	586,912	7 A
2122	9,890		14,252	8
2123	1,462	0	8,746	9
2124			10,954	10
	<b>66,085</b>	<b>(23,481)</b>	<b>978,251</b>	
2211			0	11
2212	186,175	9,844	1,405,577	12 B
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	59,735	25,271	2,190,913	16 A,B
	<b>245,910</b>	<b>35,115</b>	<b>3,596,490</b>	
2311			3,284	17
2321			0	18
2341			0	19
2351			0	20
2362			0	21
	<b>0</b>	<b>0</b>	<b>3,284</b>	
2411			1,704	22
2421	0	0	6,377	23
2422	0	0	0	24
2423	524	(11,634)	5,798,998	25 B
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			6,196	30
	<b>524</b>	<b>(11,634)</b>	<b>5,813,275</b>	
2681			0	31

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B**

<b>Plant Account (a)</b>	<b>Account (b)</b>	<b>Balance FOY (c)</b>	<b>Additions (d)</b>
<b>AMORTIZABLE ASSETS</b>			
Leasehold Improvements	2682	0	<b>32</b>
Intangibles	2690	0	<b>33</b>
<b>TOTAL--AMORTIZABLE ASSETS:</b>		<b>0</b>	<b>0</b>
<b>TOTAL TELECOM. PLANT IN SERVICE</b>	<b>2001</b>	<b>9,426,081</b>	<b>1,277,738</b>
Less: Allocation to Nonregulated Activity - EOY	2001		<b>34</b>
<b>NET REG. TOTAL TELE. PLANT IN SERV. - EOY</b>	<b>2001</b>		

Explain all amounts shown in column (g).

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)**

<b>Account (e)</b>	<b>Retirements (f)</b>	<b>Transfers / Adjustments (g)</b>	<b>Balance EOY (h)</b>	
2682			0	32
2690			0	33
	0	0	0	
	312,519	0	10,391,300	
2001			0	34
			10,391,300	

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)**

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

<b>Plant Subaccount (a)</b>	<b>Subaccount (b)</b>	<b>Balance FOY (c)</b>	<b>Additions (d)</b>	
Office Support Equipment	2123.1	3,282		<b>1</b>
Company Communications Equipment	2123.2	6,926		<b>2</b>
Software	2212.1	0	85,000	<b>3 c</b>
Digital Switching - Central Office	2212.2	789,379	707,529	<b>4 c</b>
Digital Switching - Remote	2212.3	0		<b>5</b>
Step by Step Switching	2215.1	0		<b>6</b>
Crossbar Switching	2215.2	0		<b>7</b>
Satellite and Earth Station Facilities	2231.1	0		<b>8</b>
Other Radio Facilities	2231.2	0		<b>9</b>
Digital Circuit Equipment	2232.1	1,713,571	267,401	<b>10 A,B</b>
Analog Circuit Equipment	2232.2	0		<b>11</b>
Light Wave Circuit Equipment	2232.3	244,405		<b>12</b>
Aerial Cable - Nonmetallic	2421.1	0		<b>13</b>
Aerial Cable - Metallic	2421.2	6,377		<b>14</b>
Underground Cable - Nonmetallic	2422.1	0		<b>15</b>
Underground Cable - Metallic	2422.2	0		<b>16</b>
Buried Cable - Nonmetallic	2423.1	1,132,237		<b>17 B</b>
Buried Cable - Metallic	2423.2	4,612,591	66,328	<b>18 B</b>
Submarine Cable - Nonmetallic	2424.1	0		<b>19</b>
Submarine Cable - Metallic	2424.2	0		<b>20</b>
Intrabuilding Cable - Nonmetallic	2426.1	0		<b>21</b>
Intrabuilding Cable - Metallic	2426.2	0		<b>22</b>

Explain all amounts shown in column (g).

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)**  
**(cont.)**

<b>Subaccount (e)</b>	<b>Retirements (f)</b>	<b>Transfers / Adjustments (g)</b>	<b>Balance EOY (h)</b>	
2123.1	1,462		<b>1,820</b>	<b>1</b>
2123.2			<b>6,926</b>	<b>2</b>
2212.1		152,468	<b>237,468</b>	<b>3 C</b>
2212.2	186,175	(142,624)	<b>1,168,109</b>	<b>4 C</b>
2212.3			<b>0</b>	<b>5</b>
2215.1			<b>0</b>	<b>6</b>
2215.2			<b>0</b>	<b>7</b>
2231.1			<b>0</b>	<b>8</b>
2231.2			<b>0</b>	<b>9</b>
2232.1	59,735	25,271	<b>1,946,508</b>	<b>10 A,B</b>
2232.2			<b>0</b>	<b>11</b>
2232.3			<b>244,405</b>	<b>12</b>
2421.1			<b>0</b>	<b>13</b>
2421.2			<b>6,377</b>	<b>14</b>
2422.1			<b>0</b>	<b>15</b>
2422.2			<b>0</b>	<b>16</b>
2423.1		79,595	<b>1,211,832</b>	<b>17 B</b>
2423.2	524	(91,229)	<b>4,587,166</b>	<b>18 B</b>
2424.1			<b>0</b>	<b>19</b>
2424.2			<b>0</b>	<b>20</b>
2426.1			<b>0</b>	<b>21</b>
2426.2			<b>0</b>	<b>22</b>



**ACCUMULATED DEPRECIATION CLASS A & B**

<b>Primary Plant Account (a)</b>	<b>Acct (b)</b>	<b>Balance FOY (c)</b>	<b>Depr Rate (d)</b>	<b>Annual Accrual (e)</b>	<b>Additional Accrual (f)</b>
<b>GENERAL SUPPORT ASSETS</b>					
Motor Vehicles	2112	152,911	25.0	29,716	1
Aircraft	2113	0			2
Special Purpose Vehicles	2114				3
Garage Work Equipment	2115				4
Other Work Equipment	2116	77,035	10.0	12,545	5
Buildings	2121	200,526	3.33	19,564	6A
Furniture	2122	24,142	10.0	0	7
Office Equipment	2123	8,257	20.0	1,385	8
General Purpose Computers	2124	9,069	25.0	1,427	9
<b>Total-- GENERAL SUPPORT ASSETS</b>		<b>471,940</b>		<b>64,637</b>	<b>0</b>
<b>CENTRAL OFFICE ASSETS</b>					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	468,366	18.21	213,719	11B,M
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	1,359,455	13.0	269,714	15A,B
<b>Total-- CENTRAL OFFICE ASSETS</b>		<b>1,827,821</b>		<b>483,433</b>	<b>0</b>
<b>INFORMATION ORIG/TERM ASSETS</b>					
Station Apparatus	2311	2,913	14.29	370	16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	0			19
Other Terminal Equipment	2362	0			20
<b>Total-- INFORMATION ORIG/TERM ASSETS</b>		<b>2,913</b>		<b>370</b>	<b>0</b>
<b>CABLE WIRE FACILITIES ASSETS</b>					
Poles	2411	1,534	6.67		21
Aerial Cable	2421	5,740	5.88		22
Underground Cable	2422	0			23
Buried Cable	2423	2,473,712	5.88	341,133	24B
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	0			28

**ACCUMULATED DEPRECIATION CLASS A & B**

<b>Primary Plant Account (a)</b>	<b>Acct (b)</b>	<b>Balance FOY (c)</b>	<b>Depr Rate (d)</b>	<b>Annual Accrual (e)</b>	<b>Additional Accrual (f)</b>
<b>CABLE WIRE FACILITIES ASSETS</b>					
Conduit Systems	2441	1,619	3.03	187	<b>29</b>
<b>Total-- CABLE WIRE FACILITIES ASSETS</b>		<b>2,482,605</b>		<b>341,320</b>	<b>0</b>
<b>Total Accumulated Depreciation</b>	<b>3100</b>	<b>4,785,279</b>		<b>889,760</b>	<b>0</b>
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				<b>30</b>
<b>Net Regulated Total Accum Depreciation - 3100</b>					
<b>Columns e, f and I</b>					

**ACCUMULATED DEPRECIATION CLASS A & B (cont.)**

<b>Acct (g)</b>	<b>Retired (h)</b>	<b>Cost of Removal (i)</b>	<b>Salvage (j)</b>	<b>Other (k)</b>	<b>Balance EOY (l)</b>	
2112	40,536				142,091	1
2113					0	2
2114					0	3
2115					0	4
2116	14,197				75,383	5
2121				(23,481)	196,609	6 A
2122	9,890				14,252	7
2123	1,462				8,180	8
2124					10,496	9
	<b>66,085</b>	<b>0</b>	<b>0</b>	<b>(23,481)</b>	<b>447,011</b>	
2211					0	10
2212	186,175			9,844	505,754	11 B,M
2215	0				0	12
2220					0	13
2231	0				0	14
2232	59,735		9,500	25,271	1,604,205	15 A,B
	<b>245,910</b>	<b>0</b>	<b>9,500</b>	<b>35,115</b>	<b>2,109,959</b>	
2311					3,283	16
2321					0	17
2341					0	18
2351					0	19
2362					0	20
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,283</b>	
2411					1,534	21
2421	0				5,740	22
2422	0				0	23
2423	524			(11,634)	2,802,687	24 B
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

**ACCUMULATED DEPRECIATION CLASS A & B (cont.)**

<b>Acct (g)</b>	<b>Retired (h)</b>	<b>Cost of Removal (i)</b>	<b>Salvage (j)</b>	<b>Other (k)</b>	<b>Balance EOY (l)</b>	
2441					1,806	29
	524	0	0	(11,634)	2,811,767	
<b>3100</b>	<b>312,519</b>	<b>0</b>	<b>9,500</b>	<b>0</b>	<b>5,372,020</b>	
3100						30
<b>3100</b>						

**ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)**

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

<b>Plant Subaccount (a)</b>	<b>Subacct (b)</b>	<b>Balance FOY (c)</b>	<b>Depr Rate (d)</b>	<b>Annual Accrual (e)</b>	<b>Additional Accrual (f)</b>
Office Support Equipment	2123.1	3,282	20.0		<b>1</b>
Company Communications Equipment	2123.2	4,975	20.0	1,385	<b>2</b>
Software	2212.1	0	50.0	73,502	<b>3 D</b>
Digital Switching - Central Office	2212.2	468,366	11.11	140,217	<b>4 B,D</b>
Digital Switching - Remote	2212.3	0			<b>5</b>
Step by Step Switching	2215.1	0			<b>6</b>
Crossbar Switching	2215.2	0			<b>7</b>
Satellite and Earth Station Facilities	2231.1	0			<b>8</b>
Other Radio Facilities	2231.2	0			<b>9</b>
Digital Circuit Equipment	2232.1	1,325,959	13.0	234,799	<b>10 A,B</b>
Analog Circuit Equipment	2232.2	0			<b>11</b>
Light Wave Circuit Equipment	2232.3	33,496	13.0	34,915	<b>12</b>
Aerial Cable - Nonmetallic	2421.1	0			<b>13</b>
Aerial Cable - Metallic	2421.2	5,740			<b>14</b>
Underground Cable - Nonmetallic	2422.1	0			<b>15</b>
Underground Cable - Metallic	2422.2	0			<b>16</b>
Buried Cable - Nonmetallic	2423.1	112,413	5.88	71,284	<b>17 B</b>
Buried Cable - Metallic	2423.2	2,361,299	5.88	269,849	<b>18 B</b>
Submarine Cable - Nonmetallic	2424.1	0			<b>19</b>
Submarine Cable - Metallic	2424.2	0			<b>20</b>
Intrabuilding Cable - Nonmetallic	2426.1	0			<b>21</b>
Intrabuilding Cable - Metallic	2426.2	0			<b>22</b>

**ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)**

<b>Subacct (g)</b>	<b>Retired (h)</b>	<b>Cost of Removal (i)</b>	<b>Salvage (j)</b>	<b>Other (k)</b>	<b>Balance EOY (l)</b>	
2123.1	1,462				<b>1,820</b>	<b>1</b>
2123.2					<b>6,360</b>	<b>2</b>
2212.1				90,464	<b>163,966</b>	<b>3 D</b>
2212.2	186,175			(80,620)	<b>341,788</b>	<b>4 B,D</b>
2212.3					<b>0</b>	<b>5</b>
2215.1					<b>0</b>	<b>6</b>
2215.2					<b>0</b>	<b>7</b>
2231.1					<b>0</b>	<b>8</b>
2231.2					<b>0</b>	<b>9</b>
2232.1	59,735		9,500	25,271	<b>1,535,794</b>	<b>10 A,B</b>
2232.2					<b>0</b>	<b>11</b>
2232.3					<b>68,411</b>	<b>12</b>
2421.1					<b>0</b>	<b>13</b>
2421.2					<b>5,740</b>	<b>14</b>
2422.1					<b>0</b>	<b>15</b>
2422.2					<b>0</b>	<b>16</b>
2423.1				79,595	<b>263,292</b>	<b>17 B</b>
2423.2	524			(91,229)	<b>2,539,395</b>	<b>18 B</b>
2424.1					<b>0</b>	<b>19</b>
2424.2					<b>0</b>	<b>20</b>
2426.1					<b>0</b>	<b>21</b>
2426.2					<b>0</b>	<b>22</b>

# **NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)**

This schedule should be used to report the deferred operating income tax portion of the stated accounts.  
Credit amounts should be shown in ( ).

Particulars (a)	Balance EOY (b)	
<b>PROPERTY RELATED</b>		
Other Current Assets (1350)		1
Other Noncurrent Assets (1410)		2
Deferred Tax Regulatory Asset (1437)		3
Net Current Deferred Operating Income Taxes (4100)		4
Net Noncurrent Deferred Operating Income Taxes (4340)	(236,659)	5
Net Deferred Tax Liability Adjustments (4341)		6
Deferred Tax Regulatory Liability (4361)		7
<b>Net Property Related Deferred Operating Income Taxes</b>	<b>(236,659)</b>	
Less: Allocation to Nonregulated Activity	4,865	8
<b>Net Regulated Total Property Related Deferred Operating Income Taxes</b>	<b>(241,524)</b>	
<b>NONPROPERTY RELATED</b>		
Other Current Assets (1350)		9
Other Noncurrent Assets (1410)		10
Deferred Tax Regulatory Asset (1437)		11
Net Current Deferred Operating Income Taxes (4100)		12
Net Noncurrent Deferred Operating Income Taxes (4340)	1,584	13
Net Deferred Tax Liability Adjustments (4341)		14
Deferred Tax Regulatory Liability (4361)		15
<b>Total Nonproperty Related Deferred Operating Income Taxes</b>	<b>1,584</b>	

**RETAINED EARNINGS (ACCT. 4550)**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
Balance-First of Year	3,036,180	3,948,833	<b>1</b>
<b>Changes:</b>			
Balance Transferred from Income	516,643	560,649	<b>2</b>
<b>Dividends Declared:</b>			
Common		1,473,301	<b>3</b>
Preferred		0	<b>4</b>
<b>Total Dividends Declared</b>	<b>0</b>	<b>1,473,301</b>	
Miscellaneous Debits to Retained Earnings		1	<b>5</b>
Miscellaneous Credits to Retained Earnings		0	<b>6</b>
<b>Balance--End of Year</b>	<b>3,552,823</b>	<b>3,036,180</b>	



**REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
<b>LOCAL NETWORK SERVICES REVENUES</b>			
Basic Local Service Revenue (5000)*	751,283	701,831	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
<b>TOTAL BASIC LOCAL SERVICE REVENUE (5000)</b>	<b>751,283</b>	<b>701,831</b>	
<b>NETWORK INTERSTATE ACCESS SERVICES REV.</b>			
End User Revenue (5081)*	91,140	88,282	11
Switched Access Revenue (5082)*	1,454,067	1,198,470	12 F
Special Access Revenue (5083)*	25,442	18,122	13 G
<b>TOTAL INTERSTATE ACCESS REVENUES (5080)</b>	<b>1,570,649</b>	<b>1,304,874</b>	
<b>NETWORK INTRASTATE ACCESS SERVICES REV.</b>			
End User Revenue (5084.1)*	0	0	14
Switched Access Revenue (5084.2)*	332,994	280,042	15
Special Access Revenue (5084.3)*	24,978	22,653	16
<b>TOTAL INTRASTATE ACCESS REVENUES (5084)</b>	<b>357,972</b>	<b>302,695</b>	
<b>LONG DISTANCE NETWORK SERVICES MESSAGE REV.</b>			
Long Distance Message Revenue (5100)*	17,409	3,052	17 H
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
<b>Unidirectional Long Distance Revenue (5110)</b>	<b>0</b>	<b>0</b>	
<b>Long Distance Private Network Revenues</b>			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
<b>Total Long Distance Private Network Revenue</b>	<b>0</b>	<b>0</b>	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
<b>TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.</b>	<b>17,409</b>	<b>3,052</b>	

**REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY \*)**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
<b>MISCELLANEOUS REVENUES</b>			
Directory Revenue (5230)*	25,738	22,769	<b>30</b>
Rent Revenue (5240)*	43,639	0	<b>31 E</b>
Corporate Operations Revenue (5250)*	0	0	<b>32</b>
<b>Miscellaneous:</b>			
Miscellaneous Revenue (5260)*	14,446	19,033	<b>33</b>
Special Billing Arrangements Revenue (5261)			<b>34</b>
Customer Operations Revenue (5262)			<b>35</b>
Plant Operations Revenue (5263)			<b>36</b>
Other Incidental Regulated Revenue (5264)			<b>37</b>
Other Revenue Settlements (5269)			<b>38</b>
<b>Total Miscellaneous Revenue (5260)</b>	<b>14,446</b>	<b>19,033</b>	
Interstate Billing and Collection Revenue*	21,260	21,501	<b>39</b>
Intrastate Billing and Collection Revenue*	43,168	41,603	<b>40</b>
<b>Total Carrier Billing and Collection Revenue (5270)*</b>	<b>64,428</b>	<b>63,104</b>	
Nonregulated Operating Revenue (5280)**			<b>41</b>
<b>TOTAL MISCELLANEOUS REVENUES</b>	<b>148,251</b>	<b>104,906</b>	
<b>GROSS OPERATING REVENUES</b>	<b>2,845,564</b>	<b>2,417,358</b>	
<b>UNCOLLECTIBLE REVENUES</b>			
Uncollectible Revenue (5300)*	5,200	4,050	<b>42</b>
Uncollectible Revenue--Telecommunications (5301)			<b>43</b>
Uncollectible Revenue--Other (5302)			<b>44</b>
<b>TOTAL UNCOLLECTIBLE REVENUE (5300)</b>	<b>5,200</b>	<b>4,050</b>	
<b>TOTAL OPERATING REVENUES</b>	<b>2,840,364</b>	<b>2,413,308</b>	

\*\* Account 5280 is to be used only by those companies subject to dual jurisdiction.

**EXPENSES - CLASS A & B**

<b>Particulars (a)</b>	<b>Total This Year (b)</b>	<b>Total Last Year (c)</b>	
<b>PLANT SPECIFIC OPERATIONS EXPENSE</b>			
Total Network Support Expense ( 6110 )	0	0	1
Less: Nonregulated	0	0	2
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>3</b>
Total General Support Expense ( 6120 )	24,200	19,313	4
Less: Nonregulated	0	0	5
<b>Net Regulated</b>	<b>24,200</b>	<b>19,313</b>	<b>6</b>
Total Central Office Switching Expense ( 6210 )	79,987	56,687	7
Less: Nonregulated	0	0	8
<b>Net Regulated</b>	<b>79,987</b>	<b>56,687</b>	<b>9</b>
Total Operator Systems Expense ( 6220 )	0	0	10
Less: Nonregulated	0	0	11
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>12</b>
Total Central Office Transmission Expenses ( 6230 )	9,157	14,841	13
Less: Nonregulated	0	0	14
<b>Net Regulated</b>	<b>9,157</b>	<b>14,841</b>	<b>15</b>
Total Information Orig. / Term. Expense ( 6310 )	0	0	16
Less: Nonregulated	0	0	17
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>18</b>
Total Cable and Wire Fac. Expense ( 6410 )	152,261	119,473	19
Less: Nonregulated	0	0	20
<b>Net Regulated</b>	<b>152,261</b>	<b>119,473</b>	<b>21</b>
<b>TOTAL PLANT SPECIFIC OPERATIONS EXPENSE</b>	<b>265,605</b>	<b>210,314</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>265,605</b>	<b>210,314</b>	
<b>PLANT NONSPECIFIC OPERATIONS EXPENSE</b>			
Total Other Property, Plant and Equip. Exp. ( 6510 )	0	0	22
Less: Nonregulated	0	0	23
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>24</b>
Total Network Operations Expense ( 6530 )	120,358	110,298	25
Less: Nonregulated	0	0	26
<b>Net Regulated</b>	<b>120,358</b>	<b>110,298</b>	<b>27</b>
Access Expense ( 6540 )	8,838	3,173	28
Less: Nonregulated	0	0	29
<b>Net Regulated</b>	<b>8,838</b>	<b>3,173</b>	<b>30</b>
Total Depreciation and Amortization Expense ( 6560 )	889,760	593,074	31
Less: Nonregulated	0	0	32
<b>Net Regulated</b>	<b>889,760</b>	<b>593,074</b>	<b>33</b>
<b>TOTAL PLANT NONSPECIFIC OPERATIONS EXP.</b>	<b>1,018,956</b>	<b>706,545</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>1,018,956</b>	<b>706,545</b>	

**EXPENSES - CLASS A & B**

<b>Particulars (a)</b>	<b>Total This Year (b)</b>	<b>Total Last Year (c)</b>	
<b>CUSTOMER OPERATIONS EXPENSE</b>			
Total Marketing ( 6610 )	1,330	469	<b>34</b>
Less: Nonregulated	0	0	<b>35</b>
<b>Net Regulated</b>	<b>1,330</b>	<b>469</b>	<b>36</b>
Total Services ( 6620 )	97,745	96,424	<b>37</b>
Less: Nonregulated	0	0	<b>38</b>
<b>Net Regulated</b>	<b>97,745</b>	<b>96,424</b>	<b>39</b>
<b>TOTAL CUSTOMER OPERATIONS EXPENSE</b>	<b>99,075</b>	<b>96,893</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>99,075</b>	<b>96,893</b>	
<b>CORPORATE OPERATIONS EXPENSE</b>			
Total Exec. and Planning ( 6710 )	143,781	129,526	<b>40</b>
Less: Nonregulated	0	0	<b>41</b>
<b>Net Regulated</b>	<b>143,781</b>	<b>129,526</b>	<b>42</b>
Total General and Administrative ( 6720 )	325,760	280,480	<b>43</b>
Less: Nonregulated	0	0	<b>44</b>
<b>Net Regulated</b>	<b>325,760</b>	<b>280,480</b>	<b>45</b>
Provision for Uncollectible Notes Receiv. ( 6790 )	0	0	<b>46</b>
Less: Nonregulated	0	0	<b>47</b>
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>48</b>
<b>TOTAL CORPORATE OPERATIONS EXPENSE</b>	<b>469,541</b>	<b>410,006</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>469,541</b>	<b>410,006</b>	
<b>TOTAL EXPENSES</b>	<b>1,853,177</b>	<b>1,423,758</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>1,853,177</b>	<b>1,423,758</b>	

**EXPENSES - CLASS A & B (DETAIL)**

<b>Particulars (a)</b>	<b>Total This Year (b)</b>	<b>Total Last Year (c)</b>	
Property Held for Future Tele. Use Exp. ( 6511 )	0	0	<b>1</b>
Provisioning Expense ( 6512 )	0	0	<b>2</b>
<b>Total: Reported in Account 6510</b>	<b>0</b>	<b>0</b>	
Depreciat. Exp.--Tele. Plant in Service ( 6561 )	889,760	593,074	<b>3 κ</b>
Depreciat. Exp.--Prop. Held for Future Tele. Use ( 6562 )	0	0	<b>4</b>
Amortization Expense--Tangible ( 6563 )	0	0	<b>5</b>
Amortization Expense--Intangible ( 6564 )	0	0	<b>6</b>
Amortization Expense--Other ( 6565 )	0	0	<b>7</b>
<b>Total: Reported in Account 6560</b>	<b>889,760</b>	<b>593,074</b>	

## CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

**Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.**

Description (a)	This Year (b)	
Gross Operating Revenues	2,845,564	1
Plus: Collection of amounts previously written off	3,012	2
Less: Uncollectibles written off during the year	7,277	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)	0	7
Plus (or Less) Other (please specify): NONE	0	8
<b>Assessable Revenues for Remainder and Telephone Relay Assessment Purposes</b>	<b><u>2,841,299</u></b>	

## CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	751,283	1
Plus: Total Intrastate Access Revenues (5084)	357,972	2
Plus: Total Long Distance Network Services Revenue	17,409	3
Less: Out-of-State Operating Revenues (included in the above lines)	0	4
Plus: Intrastate Payphone Revenues	8,708	5
Plus (or Less) Other (please specify): None	0	6
<b>Assessable Revenues for Universal Service Fund Assessment Purposes</b>	<b><u>1,135,372</u></b>	

## CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

**Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.**

Description (a)	This Year (b)	
Gross Operating Revenues	2,845,564	1
Plus: Collection of amounts previously written off	3,012	2
Less: Uncollectibles written off during the year	7,277	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)	0	7
Plus (or Less) Other (please specify): NONE	0	8
<b>Assessable Revenues for Remainder and Telephone Relay Assessment Purposes</b>	<b>2,841,299</b>	

## CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	751,283	1
Plus: Total Intrastate Access Revenues (5084)	357,972	2
Plus: Total Long Distance Network Services Revenue	17,409	3
Less: Out-of-State Operating Revenues (included in the above lines)	0	4
Plus: Intrastate Payphone Revenues	8,708	5
Plus (or Less) Other (please specify): None	0	6
<b>Assessable Revenues for Universal Service Fund Assessment Purposes</b>	<b>1,135,372</b>	

**OTHER INCOME ACCOUNTS**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
<b>OTHER OPERATING INCOME AND EXPENSE</b>			
Total Other Oper. Income and (Expense) (7100)	0	0	1
<b>OPERATING TAXES</b>			
Operating Investment Tax Credits--Net (7210)	(6,562)	(8,336)	2
Operating Federal Income Taxes (7220)	177,764	197,513	3
Operating State and Local Income Taxes (7230)	51,545	54,982	4
Operating Other Taxes (7240)	167,604	143,371	5
Provision for Deferred Operating Income Taxes--Net (7250)	0	0	6
<b>TOTAL OPERATING TAXES (7200)</b>	<b>390,351</b>	<b>387,530</b>	
<b>NONOPERATING INCOME AND EXPENSE</b>			
Dividend Income (7310)	275	363	7
Interest Income (7320)	93,353	94,191	8
Income from Sinking and Other Funds (7330)	0	0	9
Allowance for Funds Used During Construction (7340)	22,440	9,828	10
Gains or (Losses) from the Disposition of Certain Property (7350)	5,500	3,500	11
Other Nonoperating Income (7360)	59,385	109,034	12
Special Charges (7370)	525	762	13
<b>TOTAL NONOPERATING INCOME AND EXPENSE (7300)</b>	<b>180,428</b>	<b>216,154</b>	
<b>NONOPERATING TAXES</b>			
Total Nonoperating Taxes (7400)	61,077	45,245	14
<b>INTEREST AND RELATED ITEMS</b>			
Total Interest and Related Items (7500)	236,033	219,712	15
<b>EXTRAORDINARY ITEMS</b>			
Extraordinary Items (7600)	0	0	16
<b>NONREGULATED NET INCOME</b>			
Nonregulated Net Income (7990)	36,489	7,432	17



**NONREGULATED ACTIVITIES**

List the type of nonregulated activities that the company is involved in.

<b>Nonregulated Activity (a)</b>	
Installation, lease, sales and repair of CPE, CPW	<b>1</b>
Internet	<b>2</b>
Public Telephone term. equipment	<b>3</b>

**DISTRIBUTION OF SALARIES AND WAGES**

Description (a)	Amount (b)	
Regulated Expense	190,487	1
All Other Accounts	49,062	2
<b>Total Salaries and Wages</b>	<b>239,549</b>	3

**TELEPHONE CALLS AND MINUTES OF USE PER MONTH**

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
<b>LOCAL</b>			
Intra-Exchange	252	1,042	1
Extended Area Service	29	86	2
Extended Community Calling	49	374	3
Other Local-Undefined	0		4
<b>Total Local</b>	<b>330</b>	<b>1,502</b>	
<b>TOLL</b>			
Toll	120	653	5
<b>Total Toll</b>	<b>120</b>	<b>653</b>	
<b>Total Local &amp; Toll</b>	<b>450</b>	<b>2,155</b>	

**ACCESS USAGE**

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	0	0	0	0	<b>1</b>
Feature Group A -- Term.	0	0	0	0	<b>2</b>
Feature Group B -- Orig.	1	0	0	0	<b>3</b>
Feature Group B -- Term.	0	0	0	0	<b>4</b>
Feature Group C -- Orig.	0	0	0	0	<b>5</b>
Feature Group C -- Term.	0	0	0	0	<b>6</b>
Feature Group D -- Orig.	5,102	1,285	1,454	0	<b>7</b>
Feature Group D -- Term.	3,043	1,049	879	0	<b>8</b>

**OUTSIDE PLANT STATISTICS AT END OF YEAR**

<b>Description of Item (a)</b>	<b>Amount (b)</b>	
Sheath miles of plant - fiber optics	107	<b>1</b>
Strand miles of plant - fiber optics	2,141	<b>2</b>
Route miles of plant - microwave	0	<b>3</b>

**SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR**

<b>Circuit Type (a)</b>	<b>InterLATA Chan. Terms. (b)</b>	<b>IntraLATA Chan. Terms. (c)</b>	
Voice grade	4	8	<b>1</b>
56 kbps	4	1	<b>2</b>
64 kbps (DS0)	0	0	<b>3 N</b>
1.54 Mbps (DS-1)	4	0	<b>4 N</b>
45 Mbps (DS-3)	0	0	<b>5 N</b>
SONET OC-1	0	0	<b>6</b>
SONET OC-3	0	0	<b>7</b>
SONET OC-12	0	0	<b>8</b>
SONET OC-48	0	0	<b>9</b>
SONET OC-192	0	0	<b>10</b>

**OUTSIDE PLANT STATISTICS AT END OF YEAR**

<b>Description of Item (a)</b>	<b>Amount (b)</b>	
Sheath miles of plant - fiber optics	107	<b>1</b>
Strand miles of plant - fiber optics	2,141	<b>2</b>
Route miles of plant - microwave	0	<b>3</b>

**SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR**

<b>Circuit Type (a)</b>	<b>InterLATA Chan. Terms. (b)</b>	<b>IntraLATA Chan. Terms. (c)</b>	
Voice grade	4	8	<b>1</b>
56 kbps	4	1	<b>2</b>
64 kbps (DS0)	0	0	<b>3 N</b>
1.54 Mbps (DS-1)	4	0	<b>4 N</b>
45 Mbps (DS-3)	0	0	<b>5 N</b>
SONET OC-1	0	0	<b>6</b>
SONET OC-3	0	0	<b>7</b>
SONET OC-12	0	0	<b>8</b>
SONET OC-48	0	0	<b>9</b>
SONET OC-192	0	0	<b>10</b>

**SERVICE DATA**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
<b>Business</b>			
1 Party	234	243	3
2 Party	0	0	4
4 Party	0	0	5
PBX Trunks/System Trunks	0	0	6
Centrex Trunks	0	0	7
Centrex Lines	0	0	8
Key System Trunks	0	0	9
Mobile (Utility Provided Service)	0	0	10
Paging (Utility Provided Service)	0	0	11
FX-Out (Switched)	0	0	12
Pay Telephone	14	15	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	0	0	15
Pay Stations - Public	0	0	16
- Semi-Public	0	0	17
- Cust. Owned	0	0	18
Other	0	0	19
<b>Total Business Lines</b>	<b>248</b>	<b>258</b>	<b>20</b>
<b>Residential (Incl. Emp. Concess.)</b>			
1 Party	1,855	1,925	22
2 Party	0	0	23
4 Party	0	0	24
FX-Out (Switched)	0	0	25
Other	0	0	26
<b>Total Residential Lines</b>	<b>1,855</b>	<b>1,925</b>	<b>27</b>
<b>Total Bus &amp; Res Lines</b>	<b>2,103</b>	<b>2,183</b>	<b>28</b>
Company Used Lines	50	51	29
<b>Total Lines Used</b>	<b>2,153</b>	<b>2,234</b>	<b>30</b>

**SERVICE DATA (cont.)**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
<b>Miscellaneous</b>			
WATS Lines - OutWATS	0	0	3
WATS Lines - 800 Service	0	0	4
FX-In-intraLATA	3	3	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	8	9	7
Special Access-interLATA			8
(expressed in equiv. access lines)	77	104	9
Feature Group A Lines	0	0	10
Feature Group B Trunks	0	0	11
Feature Group C Trunks	340	460	12
Feature Group D Trunks	0	0	13
TSPS - Trunks	28	41	14
EAS - Trunks	22	22	15
Cellular Trunks (Pub. Sw. Net.)	0	0	16
Video Distance Learning			17
- discounted (special tariff)	0	1	18
<b>Customers</b>			
Business - 2 Party Customers	0	0	20
Business - 4 Party Customers	0	0	21
Residential - 2 Party Customers	0	0	22
Residential - 4 Party Customers	0	0	23
<b>Other</b>			
Total Central Office, Info. Orig./Term., & Cable			25
Wire Fac. Assets (based on physical location of plant)	8,509,744	9,413,049	27
Total Company Square Miles	399	399	28
Total Company Route Miles	641	653	29
Footnotes		o	30



**SERVICE DATA - END OF YEAR**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1820	4460	5820		1
<b>Business</b>					2
1 Party	49	108	86		3
2 Party	0	0	0		4
4 Party	0	0	0		5
PBX Trunks/System Trunks	0	0	0		6
Centrex Trunks	---CONF---	---CONF---	---CONF---		7
Centrex Lines	0	0	0		8
Key System Trunks	0	0	0		9
Mobile (utility provided service)	0	0	0		10
Paging (utility provided service)	0	0	0		11
FX-Out (Switched)	0	0	0		12
Pay Telephone	1	7	7		13
Coin-Operated Pay Telephone	0	0	0		14
Independent Pay Telephone Provider	0	0	0		15
Pay Stations - Public	0	0	0		16
- Semi-Public	0	0	0		17
- Cust. Owned	0	0	0		18
Other	0	0	0		19
<b>Total Business Lines</b>	<b>50</b>	<b>115</b>	<b>93</b>	<b>0</b>	20
<b>Residential (Incl. Emp. Concess.)</b>					21
1 Party	539	777	609		22
2 Party	0	0	0		23
4 Party	0	0	0		24
FX-Out (Switched)	0	0	0		25
Other	0	0	0		26
<b>Total Residential Lines</b>	<b>539</b>	<b>777</b>	<b>609</b>	<b>0</b>	27
<b>Total Bus &amp; Res Lines</b>	<b>589</b>	<b>892</b>	<b>702</b>	<b>0</b>	28
Company Used Lines	7	12	32		29
<b>Total Lines Used</b>	<b>596</b>	<b>904</b>	<b>734</b>	<b>0</b>	30

**SERVICE DATA - END OF YEAR (cont.)**

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1820	4460	5820		1
<b>Miscellaneous</b>					2
WATS Lines - OutWATS	0	0	0		3
WATS Lines - 800 Service	0	0	0		4
FX-In-intraLATA	0	3	0		5
Special Access-intraLATA					6
(equiv. access lines)	2	3	4		7
Special Access-interLATA					8
(equiv. access lines)	4	24	76		9
Feature Group A Lines	0	0	0		10
Feature Group B Trunks	0	0	0		11
Feature Group C Trunks	96	124	240		12
Feature Group D Trunks	0	0	0		13
TSPS - Trunks	7	14	20		14
EAS - Trunks	11	11	0		15
Cellular Trunks (Pub. Sw. Net.)	0	0	0		16
Video Distance Learning					17
- discounted (special tariff)	0	0	1		18
<b>Customers</b>					19
Business - 2 Party Customers	0	0	0		20
Business - 4 Party Customers	0	0	0		21
Residential - 2 Party Customers	0	0	0		22
Residential - 4 Party Customers	0	0	0		23
<b>Other</b>					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	2,621,576	3,284,410	3,507,063		27
Exchange Square Miles	170	133	96		28
Exchange Route Miles	208	250	195		29
Footnotes			0		30

**MANUFACTURER ABBREVIATIONS**

Use these abbreviations when completing the central office data schedule.

<b>Manufacturer Name (a)</b>	<b>Abbreviation (b)</b>	
Alcatel	AL	<b>1</b>
ATTC	ATT	<b>2</b>
GTE	GTE	<b>3</b>
ITT	ITT	<b>4</b>
Lucent	ATT/LUC	<b>5</b>
Nippon Electric	NEC	<b>6</b>
Northern Telecom	NTI	<b>7</b>
Siemens	SI	<b>8</b>
Stromberg-Carlson	SC	<b>9</b>
VIDAR	VI	<b>10</b>

**EQUIPMENT ABBREVIATIONS**

Use these abbreviations when completing the central office data schedule.

<b>Equipment Type (a)</b>	<b>Abbreviation (b)</b>	
Electromechanical	EM	<b>1</b>
Electronic--Analog	A	<b>2</b>
Electronic--Digital	D	<b>3</b>
Electronic--Video	V	<b>4</b>

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Electronic--Video	V	<b>4</b>

**CENTRAL OFFICE DATA - END OF YEAR**

When an exchange has more than one central office, data must be reported for each central office.

<b>Description (a)</b>	<b>Central Off. (b)</b>	<b>Central Off. (c)</b>	<b>Central Off. (d)</b>	<b>Central Off. (e)</b>	
Exchange Name	EXELAND	RADISSON	WEYERHAEUSER		<b>1</b>
PSCW Exchange ID	1820	4460	5820		<b>2</b>
Central Office Name	EXELAND	RADISSON	WEYERHAEUSER		<b>3</b>
PSCW Central Office ID	1	1	1		<b>4</b>
Manufacturer of COE (Page 54)	NTI	NTI	NTI		<b>5</b>
Year COE Installed	1991	1991	1991		<b>6</b>
Type of Equipment (Page 54)	D	D	D		<b>7</b>
(S)tandalone, (H)ost, (R)emote	R	R	H		<b>8</b>
Remote Host PSCW Exchange ID	5820	5820			<b>9</b>
Remote Host PSCW Central Office ID	1	1			<b>10</b>
COE Generic Software Release No.	412.2	412.2	412.2		<b>11</b>
SS7?	Yes	Yes	Yes		<b>12</b>
9-1-1?	Yes	Yes	Yes		<b>13</b>
Access Lines - In Use	596	904	734		<b>14</b>
- Equipped	800	1,216	941		<b>15</b>
- Wired	1,216	1,216	1,280		<b>16</b>
Trunks - In Use	96	120	240		<b>17</b>
- Equipped	120	120	432		<b>18</b>
- Wired	144	144	528		<b>19</b>
ISDN Available?	Yes	Yes	Yes		<b>20</b>
ISDN Lines - In Use (BRI)	5	5	5		<b>21</b>
- In Use (PRI)	0	0	0		<b>22</b>
Switched 56 Service?	No	No	No		<b>23</b>
Switched 56 lines in use	0	0	0		<b>24</b>
Digital Transmission Facilities: DS-1 - In Use	8	23	63		<b>25</b>
DS-3 - In Use	1	3	1		<b>26</b>
Advanced Data Service Available:					
Packet Switching?	No	No	No		<b>27</b>
SMDS?	No	No	No		<b>28</b>
Frame Relay?	No	No	No		<b>29</b>
ATM (Asynchronous Trans. Mode)?	No	No	No		<b>30</b>
Video Information - Service Available?	No	No	No		<b>31</b>
- In Use (# lines) <sup>1</sup>	0	0	0		<b>32</b>
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	68	44	108		<b>33</b>
No. of fiber strands working (LIT) in C.O.	6	10	52		<b>34</b>
No. of fiber strands for interoffice use	5	6	11		<b>35</b>
Miles of fiber sheath in wire center	35	52	20		<b>36</b>
Access Tandem Serving this C.O.:					
- C.O. Name	RICE LAKE	RICE LAKE	RICE LAKE		<b>37</b>
- PSCW C.O. ID	4570-01	4570-01	4570-01		<b>38</b>
Does this C.O. do access tandem switching?	No	No	No		<b>39</b>
Equal Access: InterLATA (1+)?	Yes	Yes	Yes		<b>40</b>
Equal Access: IntraLATA (1+)?	Yes	Yes	Yes		<b>41</b>
Footnotes					<b>42</b>

<sup>1</sup> Teleco provided end-to-end facility.

**GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES**

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**General Footnote**

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**Schedule Footnotes****Access Usage Footnote. Page 48**Revisions made 9/13/00 by ele per fax from Linda Kramer

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**Schedule Line Footnotes**

- A) \$23481 was transferred from Building acct. 2121 to Sub CXR acct. 22321. Depreciation was adjusted accordingly.
- B) Transfers totaling \$91,229 were moved from Buried Cable acct. 2423 and distributed as follows: \$9,844 to Central Office acct. 221, \$1,790 to Sub CXR acct. 22321, and \$79,595 to Fiber Optic Buried Cable acct 24232. (Costs had been gathered to acct. 2423 in 1998 and properly reclassified in 1999 to acct.24232.) Depreciation was adjusted accordingly.
- C) A transfer was made in 1999 to reclass Central Office Software. \$152,468 was transferred from acct. 221, Central Office Hardware to acct. 2211, Central Office Software.
- D) \$90,464 reflects an adjustment made for prior depreciation for software separated from Central Office hardware in 1999.
- E) Rent revenue in 1999 was derived from lease of dark fibers.
- F) The increase in interstate switched access revenue from \$1,198,470 to \$1,454,067 is due in part to an increase of interstate originating 800 minutes deriving from unlimited internet access availability from an internet provider.
- G) The increase in interstate special access revenue from \$18,122 to \$25,442 results from installation of additional high capacity circuits.
- H) An increase in account 5100 message revenue from \$3,052 to \$17,409 is largely due to an adjustment to Ameritech PARS. Indianhead Telephone Co. had been erroneously remitting local DA to Ameritech in prior years. This was resolved in 1999 and trued-up in agreement with Ameritech and Indianhead Telephone Company.
- I) Central Office Switching Expense Account 621 increased from \$56,687 to \$79,987. This was due to increased time distribution by plant employees to maintenance.
- J) Cable and Wire Facility Expense Account 641000 increased from \$119,473 to \$152,261. This was due to increased time distribution by plant employees to maintenance and mapping updates.
- K) Depreciation Expense Account 656000 increased from \$593,074 to \$889,760 due to adjusting service lives based on Docket 05-DT-103 and 1999 plant additions to better reflect the estimated service period of the equipment.

**GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES**

- L)** Indianhead Telephone Company (ITC) is a wholly owned subsidiary of Hector Communications Corporation (HCC). HCC has a wholly-owned or majority-owned interest in ten local exchange telephone companies, including ITC. HCC, acting through its general offices and employees, provided services to its subsidiary companies to aid in their operations.

Charges for services provided by HCC to its subsidiaries are calculated based on a management service agreement. This agreement has been approved by the Rural Utilities Service and the Wisconsin Public Service Commission (Notice 4860-AT-100). Under the agreement, charges from HCC to the subsidiaries are at cost. HCC does not earn any profit for providing these services.

Services provided by HCC to ITC include:

Local service and CABS billing. HCC is a service bureau for its subsidiaries with respect to billing and CABS. HCC provides the personnel, computer hardware and software necessary to maintain ITC's customer base, toll and CABS data management and processing, and rating. HCC generates bills for all of ITC's customers (end-users or IXCs). HCC also provides management information service support for other ITC data processing requirements.

Plant administration support. HCC uses its greater size to negotiate better prices for materials and services required by ITC and its other subsidiaries. HCC also provides technical, consulting and forecasting support on construction projects.

Human Resources. HCC provides, or negotiates with other suppliers to provide, human resource management for its subsidiaries. HCC provides payroll functions and employee benefits management, including group health and life insurance, 401(k) savings and ESOP.

- M)** Digital Electronic Switching Account 2212 shows a composite rate of hardware and software.
- N)** 45 Mbps (DS-3) - We have 1 circuit under special tariff for Video Distance Learning. This is under contract so is not counted as a special circuit. 64 Kbps (DS0) and 1.54 Mbps (DS-1) Intralata - We have not received an order for this type of circuit.
- O)** Video Distance Learning - Service was accepted October 13, 1999.